



Scale & Grade

**Productora Gets
High Grade Copper
Production Options**

ASX code: HCH

28th March 2018



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Triggering a Major Re-rate

Hot Chili in 2013

- HCH **Market Capitalisation A\$250M** (Cu price US\$3.00 – 3.30/lb)
- Half the current resource base, no completed PFS, no major partner or infrastructure access

Hot Chili Now

- **Current Market Capitalisation A\$30M** fully dilute (Cu price US\$3.00 – 3.30/lb)
- **Over US\$90M invested, 1.5Mt Cu & 1.0Moz Au Resource** and infrastructure access
- **PFS complete, 10Yr mine life with Av annual EBITDA of US\$185M over life of mine at US\$3.00/lb Cu price.** Chilean major CMP as 20% contributing JV partner

Three Triggers

Copper Price

Grade

Mine Life

Rising Momentum

Copper Price



- **Set to test Bull Market conditions** ahead of looming supply deficit expected in 2020
- **Advanced large copper developments are rare**



High Grade Growth to Deliver Major Upside

Grade



Major Chilean Copper Asset - Productora



- 10 Years Mine Life
- **66kt Cu and 25koz Au** production annually over first 8 Yrs
- **Extending to +17 Yrs** Mine Life

High Grade Options Drill Ready – El Fuego



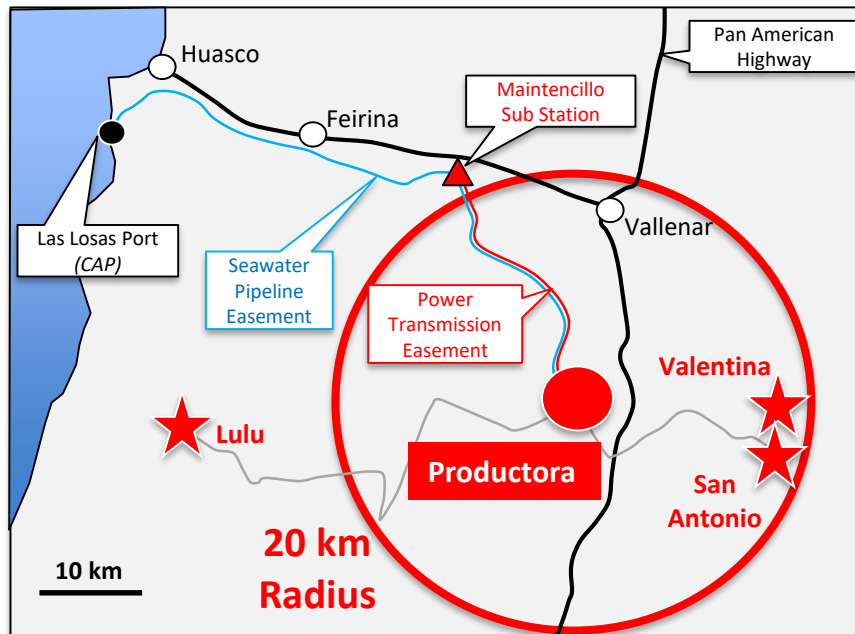
- 3 stranded copper mines
- **Historical Cu grades of 2% to 5%**
- **20km trucking distance**

Critical Mass

Mine Life



Emerging Large Coastal Operating Centre



- Taking advantage of **planned large-scale , low-cost processing facility**
- Combining **multiple ore sources to achieve higher grade and critical mass**
- **Further consolidation** being pursued

Positioning for Planned Dual Listing



- **Expanded metal production and higher margin** copper developer
- Getting set for **planned dual listing**

Corporate Overview



Board of Directors

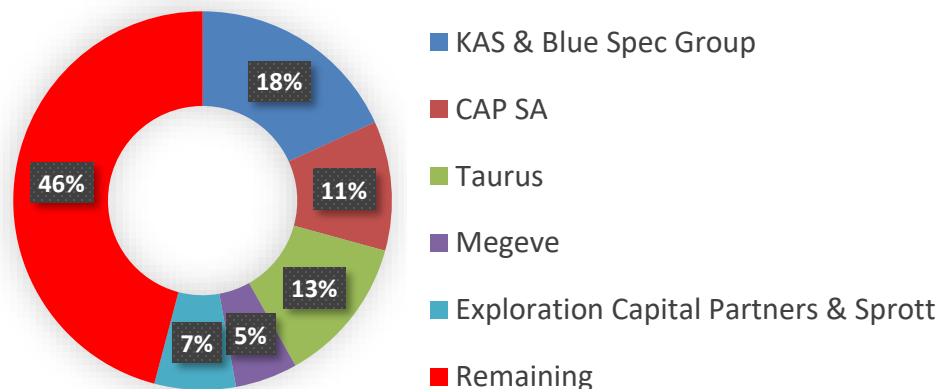
Murray Black	Non Exec Chairman
Christian Easterday	Managing Director
Michael Anderson	Non Exec Director
Allan Trench	Non Exec Director
Roberto de Andraca Adriasola	Non Exec Director
Randall Nickson	Non Exec Director

Capital Structure

Issued Shares	596.4M
Unlisted Options	11.0 M (30c, exp Jun 2019) 8.0M (10c, exp Sept 2018) 20.0M (3.33c, exp Jun 2019)
Unlisted 5yr Convertible Notes	112,559 (A\$100 face value) (convert @ 3.33c)
Share Price	A\$0.034
Mkt Capitalisation	A\$20.3M
Mkt Capitalisation (fully dilute)	A\$31.8M (incl Con Notes, Options)
Cash	A\$1.0M approx. (15th March 2018)
Enterprise Value (EV)	A\$19.3M
Enterprise Value (fully dilute)	A\$30.8M

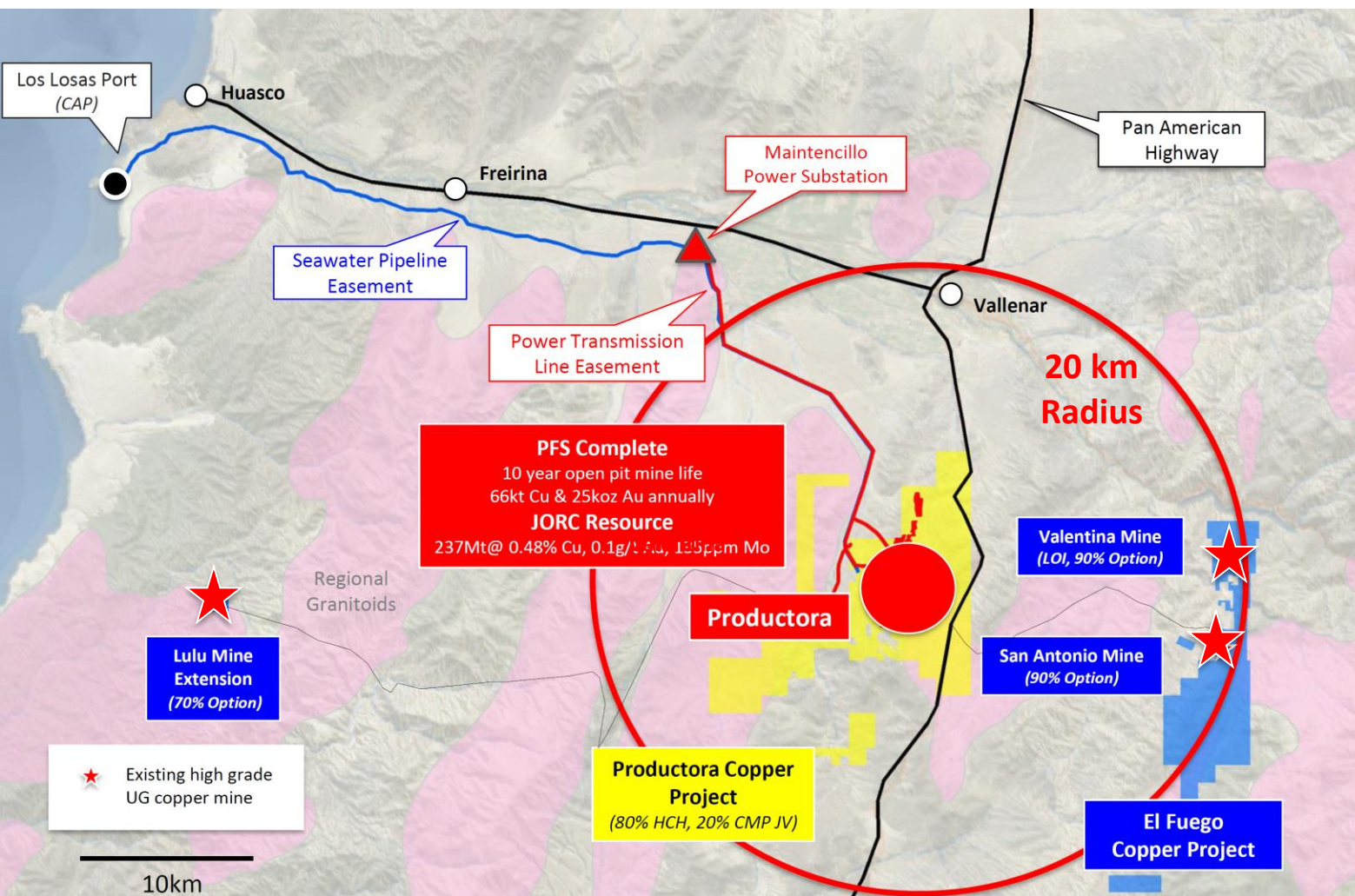
Substantial Shareholders

Current



Centre of Gravity

- Low altitude coastal range **copper operating centre**
- 700km north of Santiago Chile, **significant infrastructure advantage secured**



Productora

(Flagship JV)

- 80% HCH
- 20% CMP

El Fuego

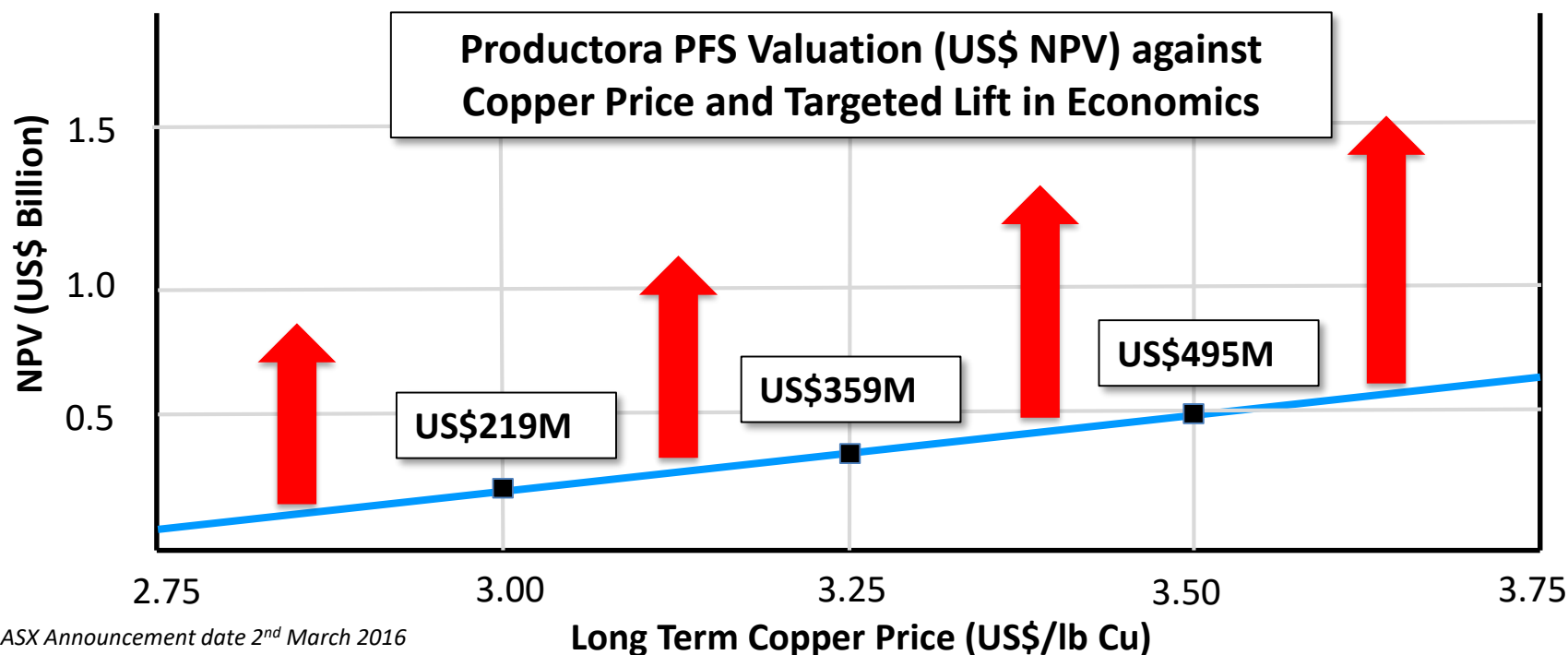
(4 Yr Options)

- San Antonio
- Valentina
- Lulu

Productora– Value Springboard



- Asset highly leveraged to **copper price**
- Economics also highly leveraged to **additional mine life** and **higher grade blend**
- **Confirming critical mass key to delivering standout economics and DFS green light**



Refer to ASX Announcement date 2nd March 2016
Independent Financial Analysis by AMEC Foster Wheeler

El Fuego – High Grade Options

- Option deals to earn controlling interest in **three high grade copper mines** combined as the El Fuego copper project
 - **San Antonio**
 - **Valentina**
 - **Lulu**
- **Family owned mines for over 50 years** with little/no modern exploration or resource drilling
- **2.5km of high priority strike potential containing historical +2 % copper mines developed from surface**



San Antonio- Grade and Scale



- Privately owned and mined since 1964
- JV Option Agreement executed 8th Nov 2017
- **4 Yr term to earn 90% interest**
- **No payments/commitments in first 3 Yrs**
- Payment of US\$0.3M in 36 months and US\$6.7M in 48 months

San Antonio Main Lode

Historical Production

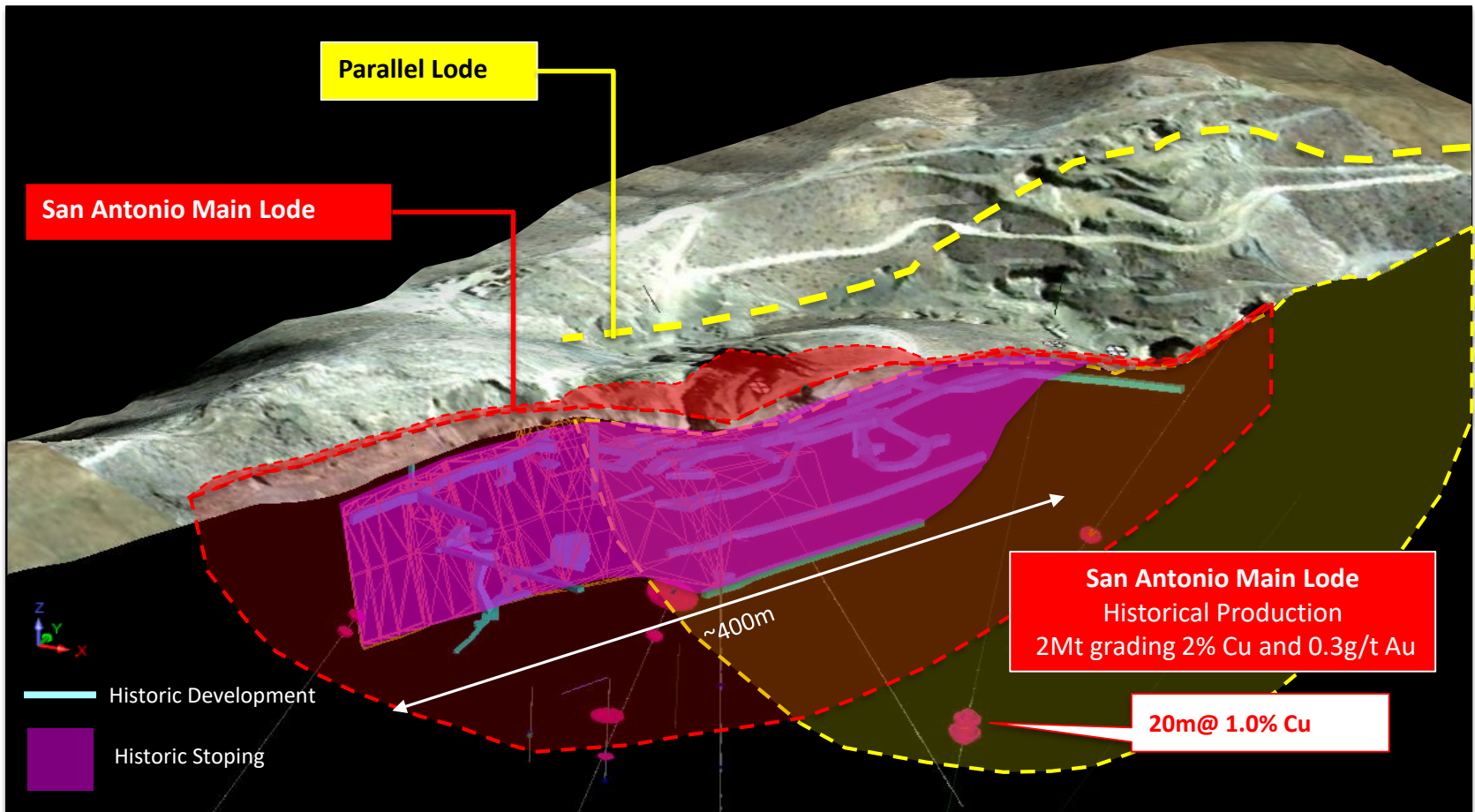
2Mt grading 2% Cu and 0.3g/t Au

7 to 30m development widths

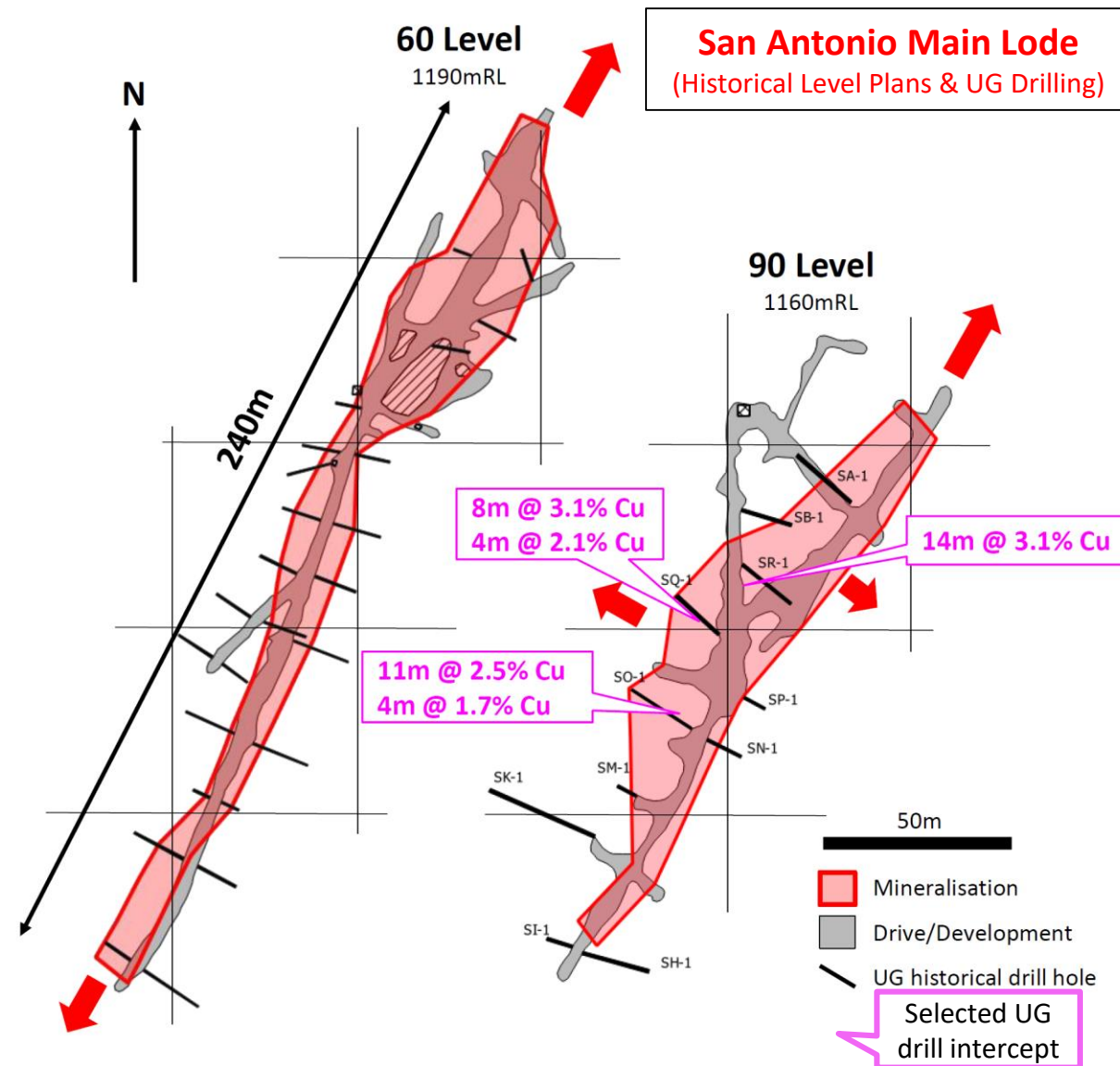
Mined to 130m vertical over 400m strike

San Antonio- Mine Model

- Only 9 historical surface drill holes and limited information available.
- **Strike & depth potential untested and unknown**



San Antonio- Attractive Scale



- **Cu-Au-Ag orebody** steeply dipping (60-70) towards the east
- Historical UG production levels demonstrate width potential (**7- 30m production widths**)
- **Largely untested at depth and along strike**

San Antonio- Being Mined Now

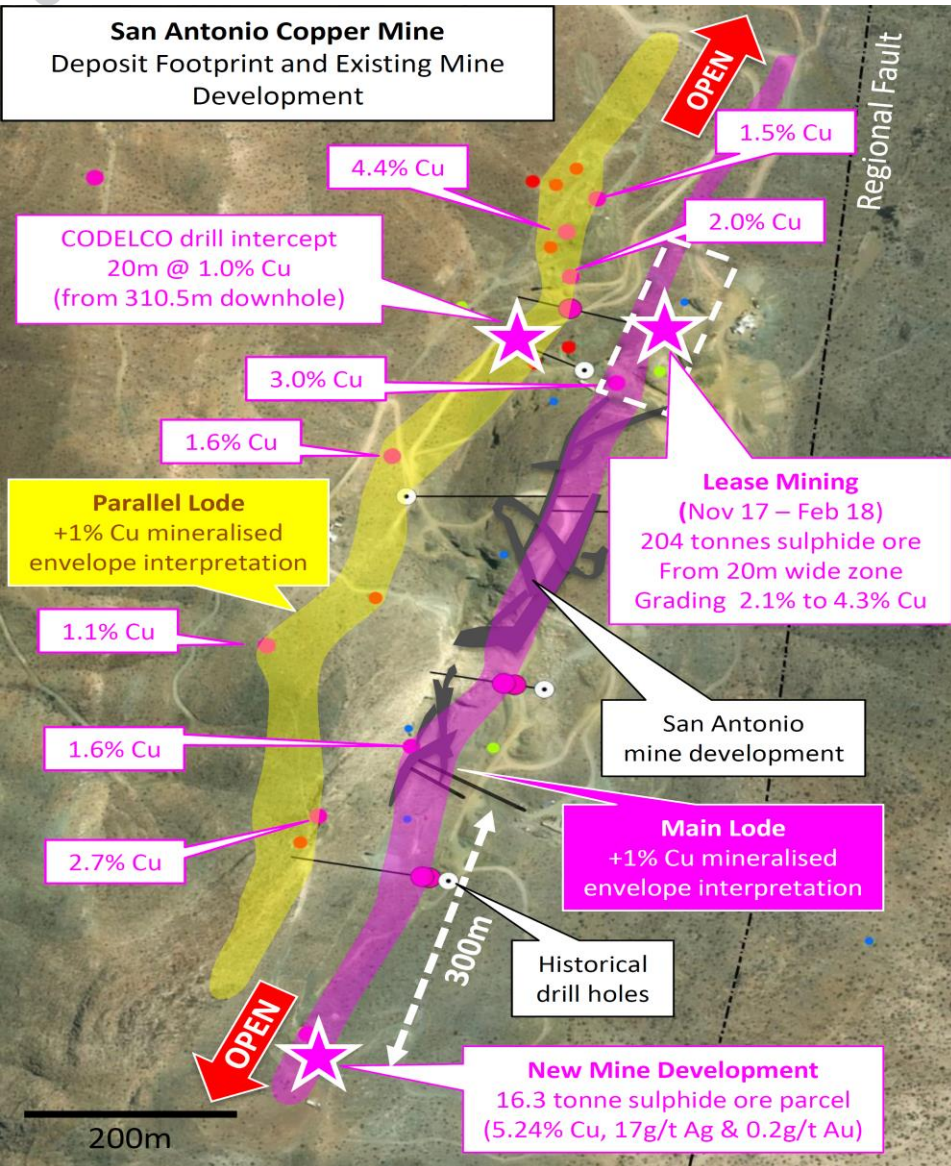
- **Lease mining allowed to continue** under capped 50ktpa arrangement during Option period
- **Sulphide copper being mined from near-surface** and processing of ore through nearby ENAMI plant
- **2- 4% Cu ore grades being exploited** from shallow depth along northern extent of mine



Note: HCH does not receive cashflows from lease mining activities

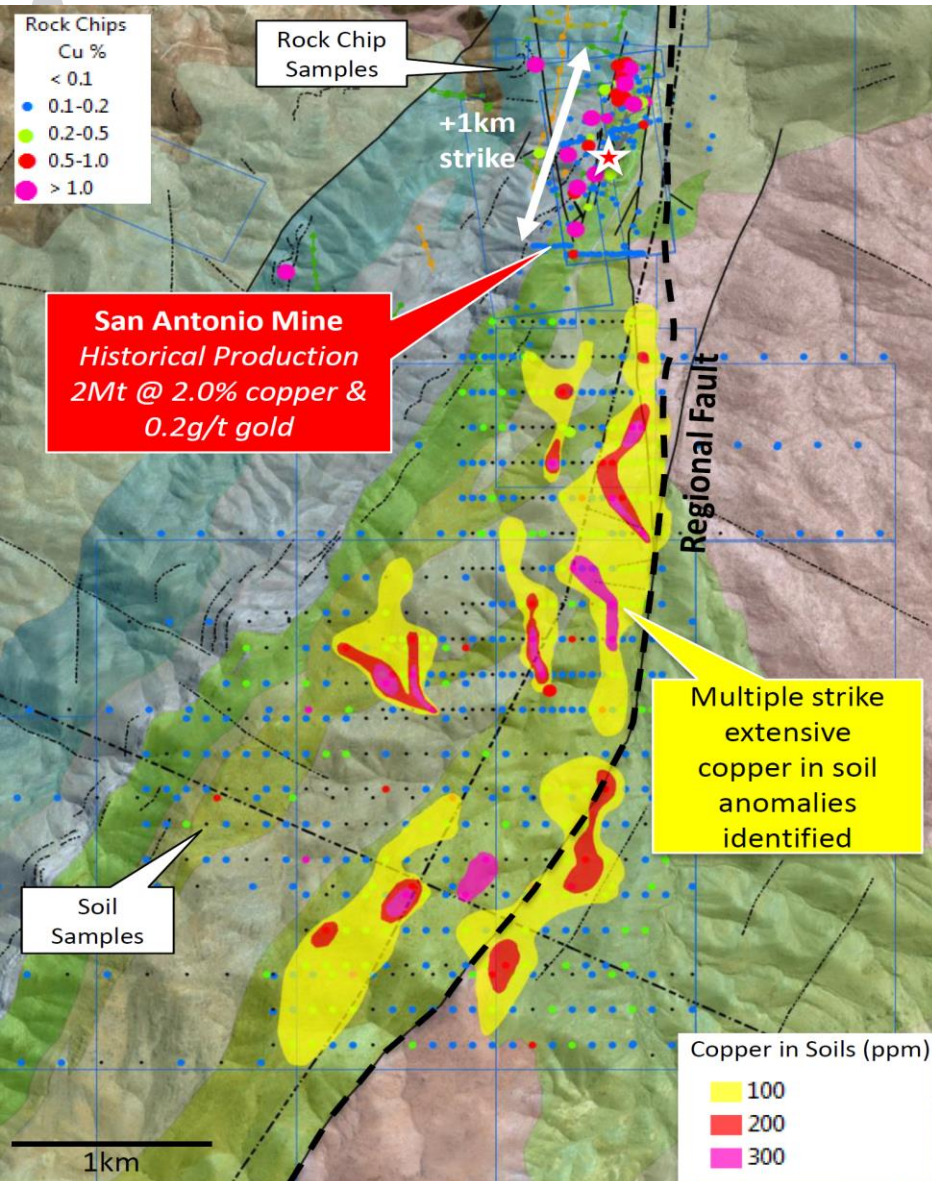
Refer to ASX Announcement dated 8th March 2018 "Miners Exploit Shallow High Grade Copper at San Antonio"

San Antonio- Bigger than First Recognised



- Miners extract **16 tonne ore parcel in exploratory drive 300m south of underground**
- 5.2% Cu over 2m width from 12-15m depth** (ENAMI certified)
- Large-scale deposit setting recognised** with over 1km of mineralised strike extent

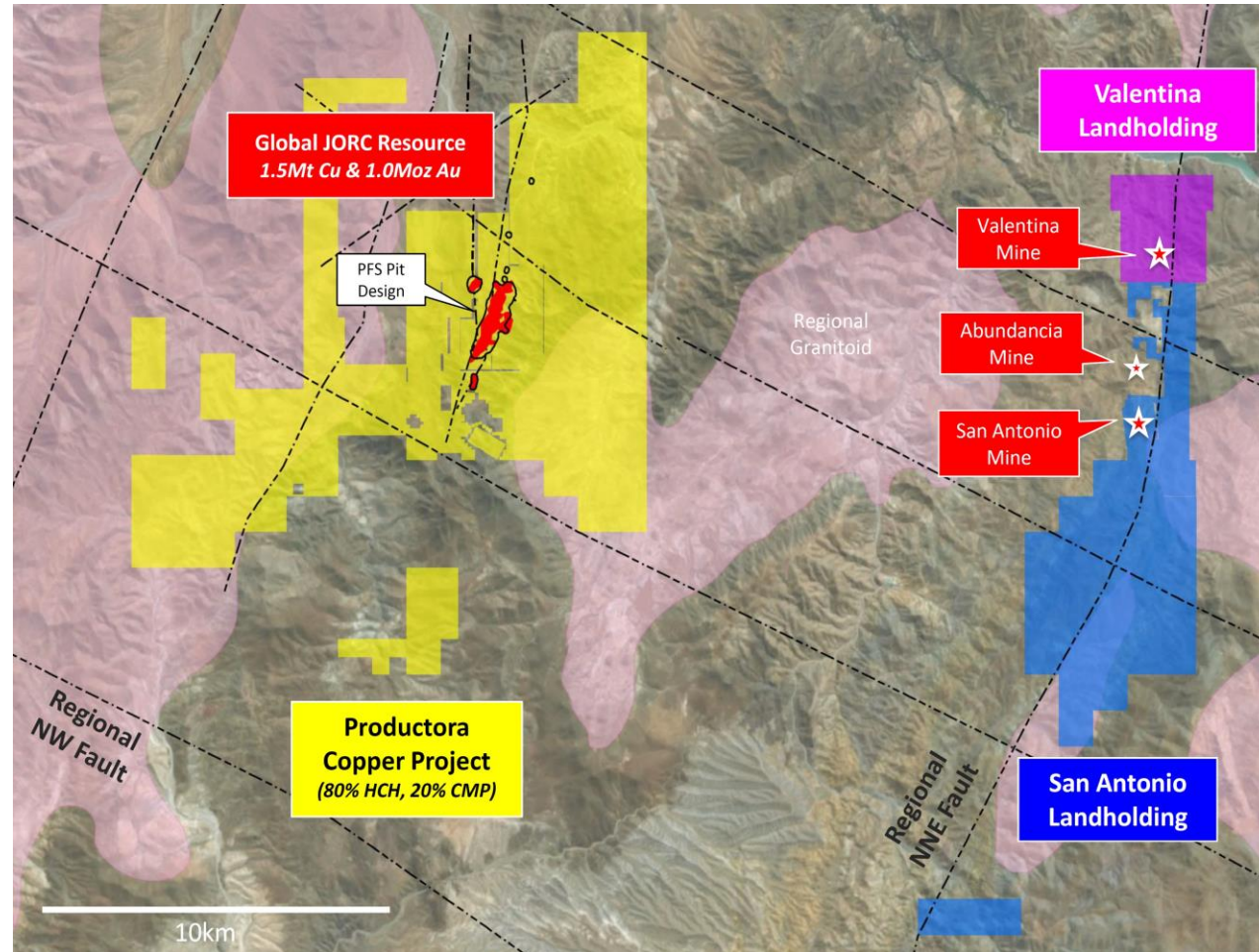
San Antonio- Not Alone



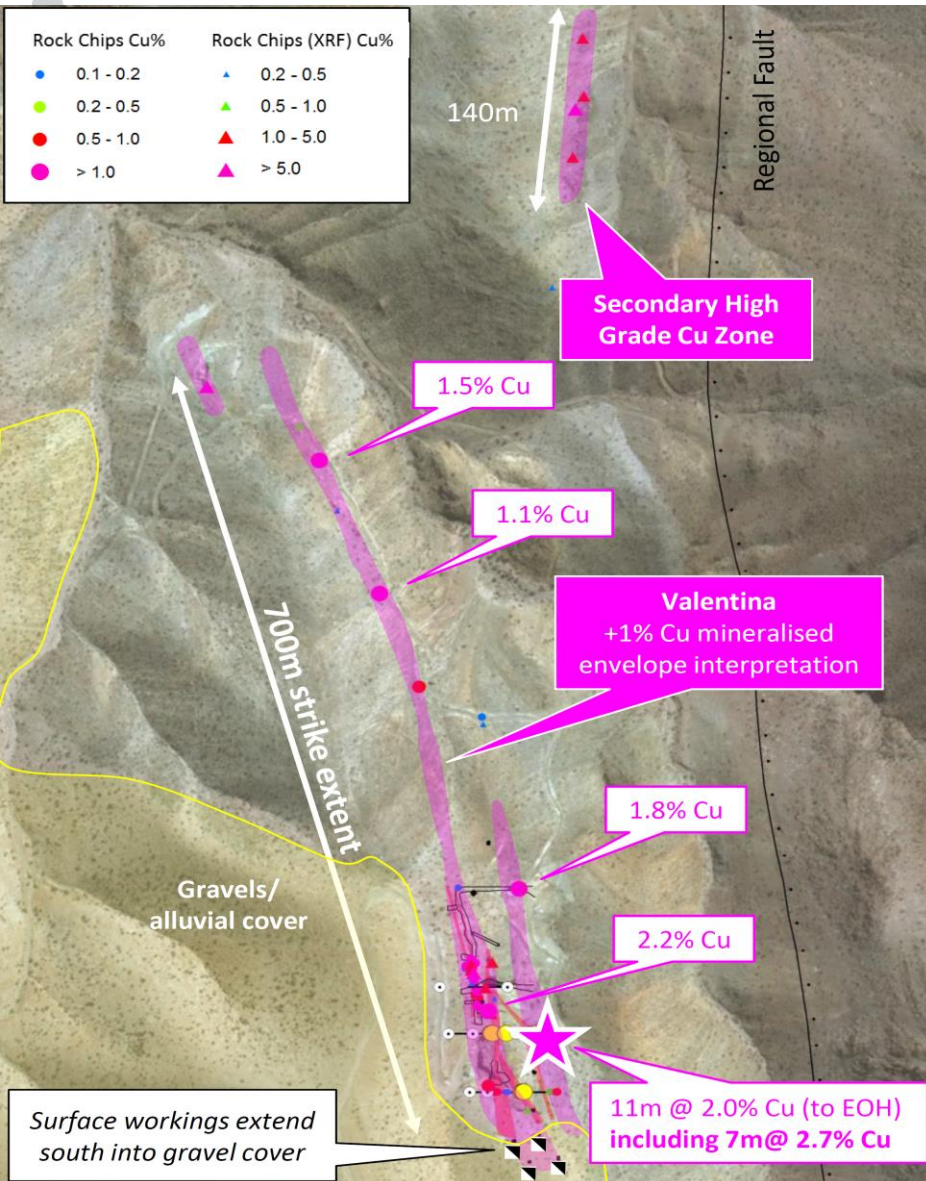
- **In-fill surface geochemical programme results**
- **Confirming multiple +1km surface copper anomalies south of San Antonio**
- **Peak rock chip result of 0.9% copper and 40g/t silver**

Valentina- Latest Addition

- **5km north of San Antonio**
- Non Binding LOI for JV
Option executed 21st Feb 2018
- **4 Yr term to earn 90%**
interest
- **No payments in first 3 Yrs**
- Payment of US\$0.15M in
36 months and US\$4.0M
in 48 months

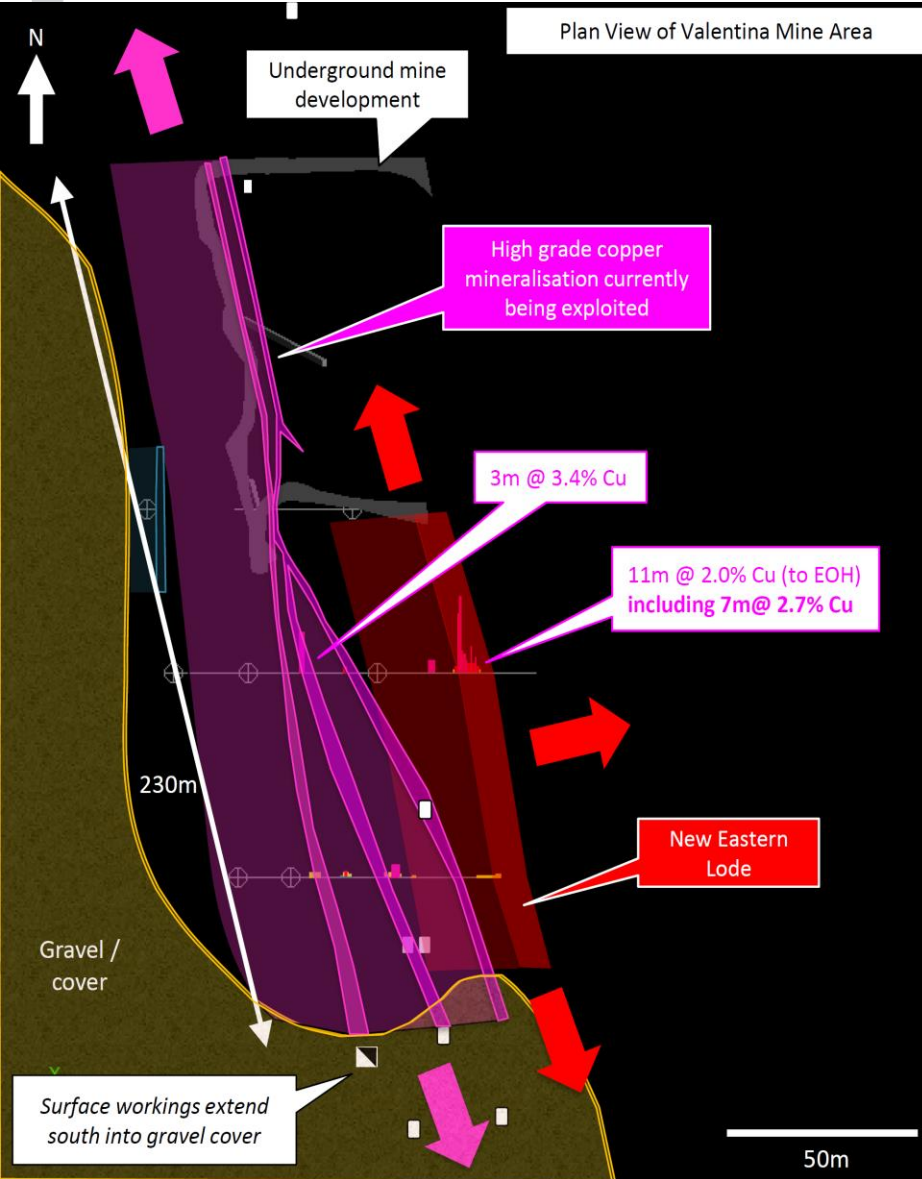


Valentina- Another San Antonio?

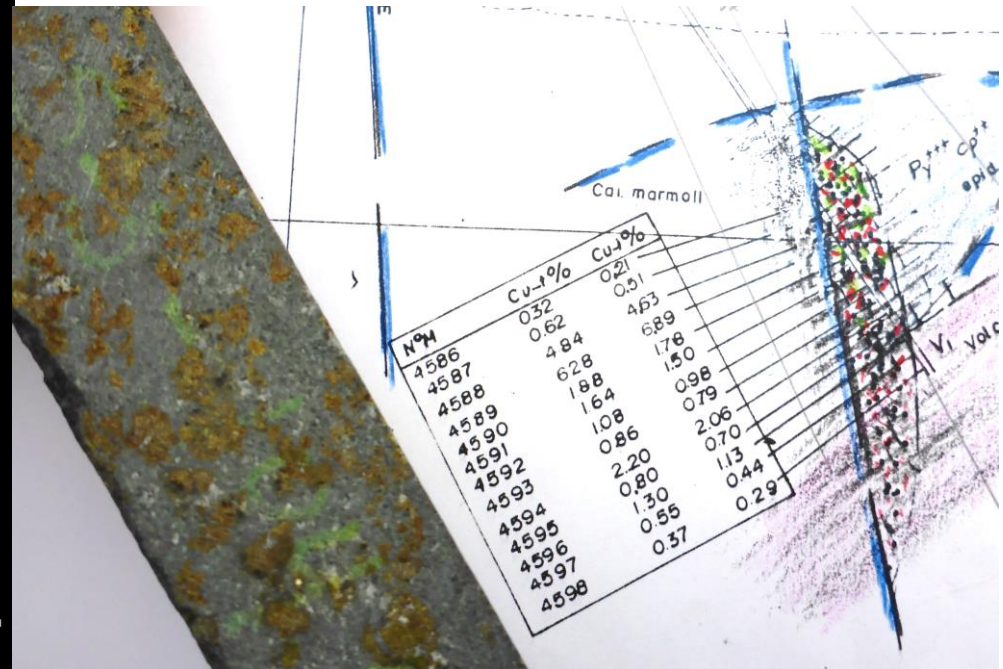


- **Historical small-scale underground mine**, with 1 – 5m development widths exposed at surface
- **Certified mine grades of 3.4% to 4.8% Cu (Average 4% Cu)** from 1997
- Detailed mapping and surface sampling by HCH confirm **over 700m strike potential**

Valentina- Historical Drilling

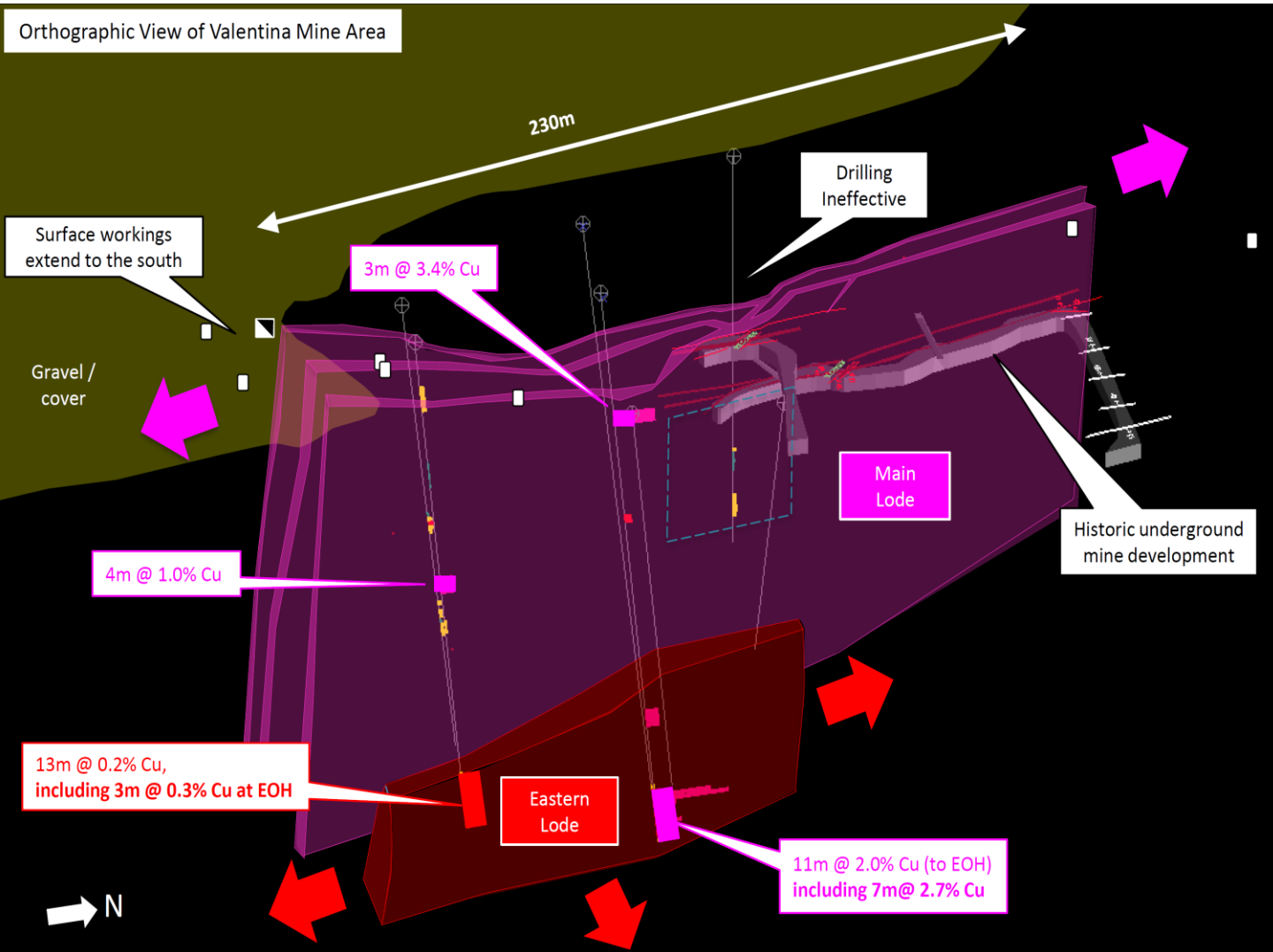


- End of Hole **11m @ 2% Cu not followed up**
- **7 historical drill holes completed** in 1993
- **Wide zones of chalcopyrite** logged and not sampled





Valentina- Mine Area Focus



- **Shallow high grade copper sulphide potential**
- **Currently 230m strike extent across mine area**
- **Open along strike and at depth**

Lulu- Extension of a Trophy Mine



Sucovon Mine

Reportedly Developed to 600m depth

Mine widths of 1.5m to 2m

Average grade of 6% Cu and 3g/t Au



Lulu High Grade
Cu-Au Vein

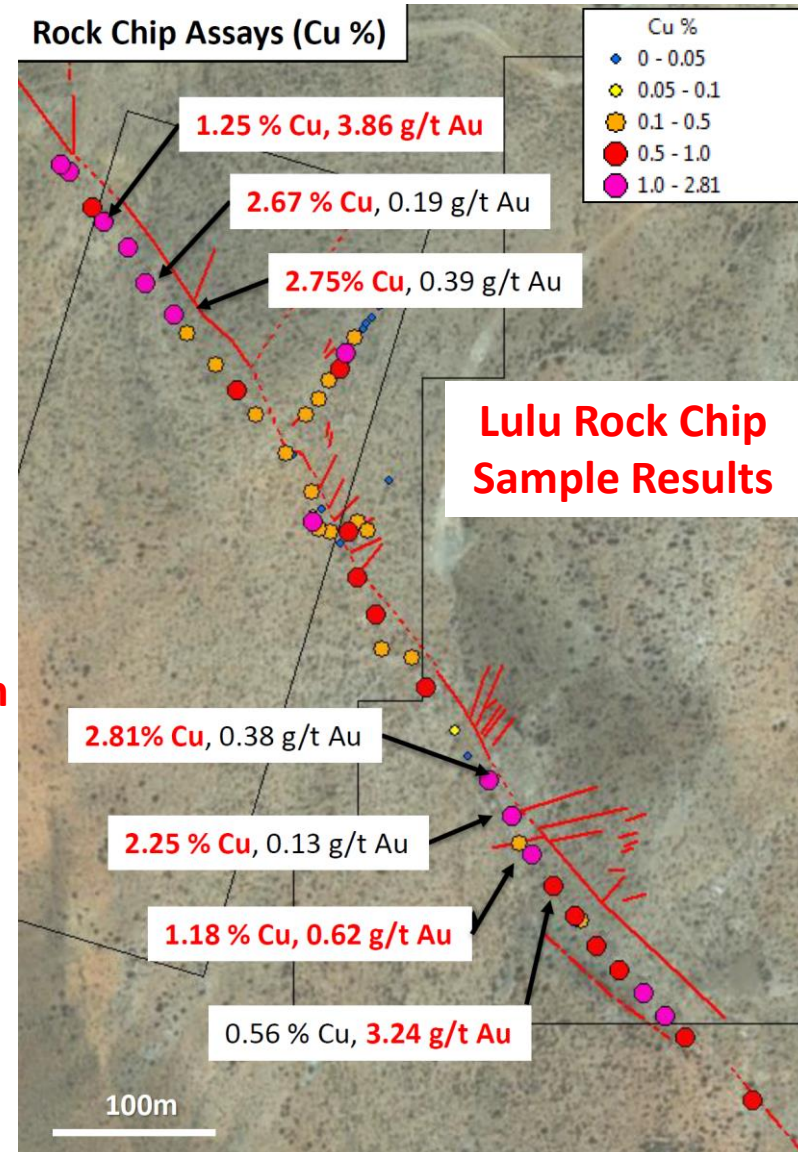
Lulu- Third High Grade Option

- **30km west of Productora**
- JV Option Agreement executed 7th Nov 2017
- **4 Yr term to earn 70%** interest
- **US\$ 2.45M payment schedule**
 - US\$75k execution
 - US\$75k Yr 1
 - US\$150k Yr 2
 - US\$150k Yr 3
 - US\$2M Yr 4



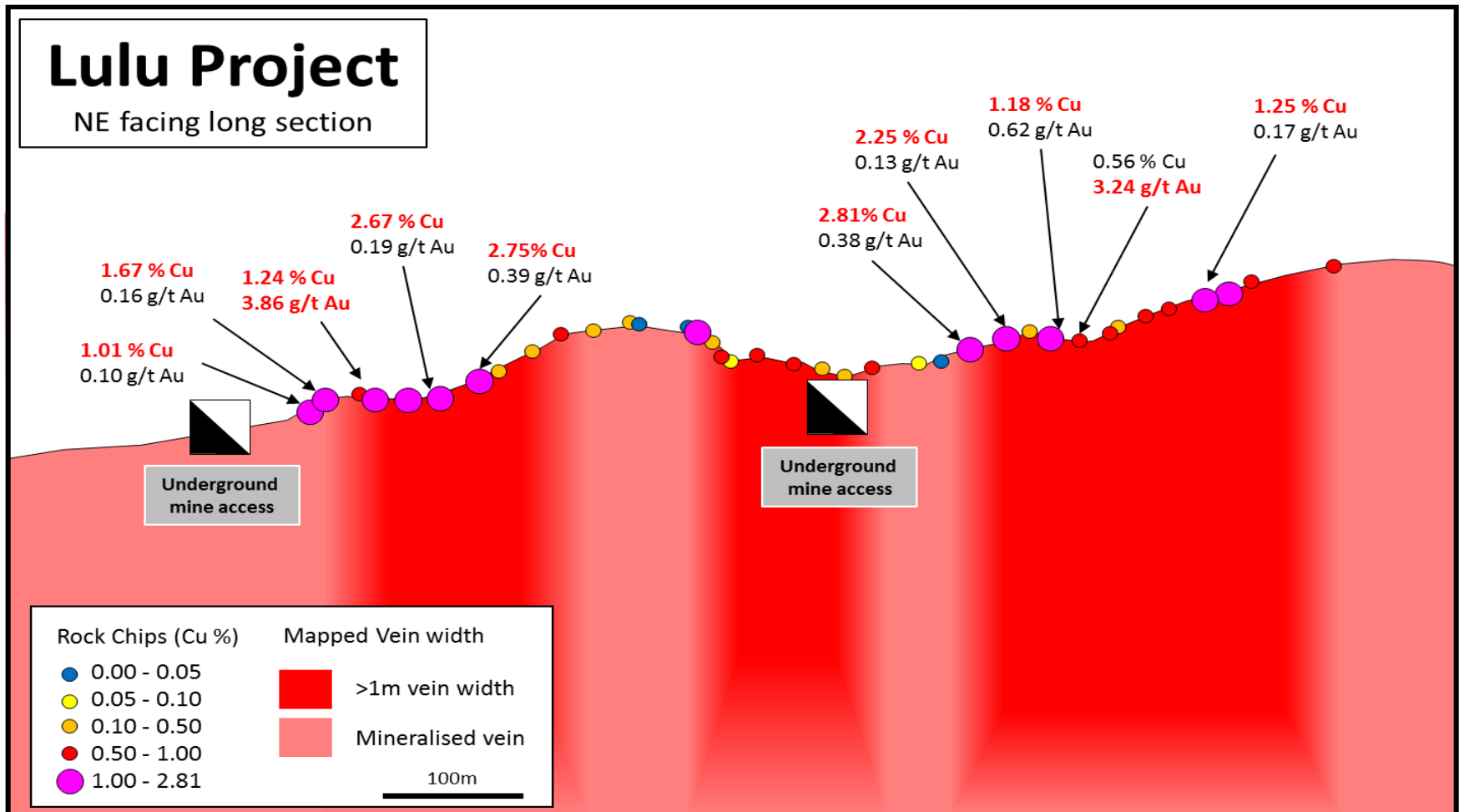
Lulu- Outstanding Potential

- **Sucovon is one of the highest grade historical mines** in the region, **commenced by British in 1860's**
- Exploited **vein widths up to 7m** with grades **averaging 12% copper and 5g/t gold**
- **Lulu is the 800m direct strike extension of Sucovon**
- Privately held since 1932 and **no drill holes ever undertaken**



Lulu- Impressive Results

- Detailed **mapping and sampling over 800m strike length** of main ore hosting vein
- **Confirmed high grade Cu & Au at surface over widths ranging from 70cm to 4.1m**





Expected News Flow

- **Over 400 surface sample results pending** from detailed mapping campaign across San Antonio and Valentina
- Expanded regional soil sampling programme underway over San Antonio and Valentina landholdings
- **Commencement of first drilling programme to test multiple high grade targets** across El Fuego
- Partnerships for **other expansion opportunities being evaluated**
- Further consolidation and successful results to be combined with timing of a **planned dual listing this year**

Qualifying Statements



Mineral Resource and Ore Reserve Confirmation

The information in this presentation that relates to Mineral Resources and Ore Reserve estimates on the Productora copper project was previously reported in the ASX announcement “Hot Chili Delivers PFS and Near Doubles Reserves at Productora” dated 2nd March 2016, a copy of which is available on the ASX website at www.asx.com.au and the Company’s website at www.hotchili.net.au. The company confirms that it is not aware of any new formation or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in that announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person’s findings are presented have not been materially modified from the original market announcement.

Productora Project Ore Reserve Statement, March 2016 ¹

Ore Type	Reserve Category	Tonnage (Mt)	Grade			Contained Metal			Payable Metal		
			Cu (%)	Au (g/t)	Mo (ppm)	Copper (tonnes)	Gold (ounces)	Molybdenum (tonnes)	Copper (tonnes)	Gold (ounces)	Molybdenum (tonnes)
Oxide	Probable	24.1	0.43	0.08	49	103,000	59,600	1,200	55,600		
Transitional		20.5	0.45	0.08	92	91,300	54,700	1,900	61,500	24,400	800
Fresh		122.4	0.43	0.09	163	522,500	356,400	20,000	445,800	167,500	10,400
Total	Probable	166.9	0.43	0.09	138	716,800	470,700	23,100	562,900	191,900	11,200

Note 1: Figures in the above table are rounded, reported to two significant figures, and classified in accordance with the Australian JORC Code 2012 guidance on Mineral Resource and Ore Reserve reporting. Note 2: Price assumptions: Cu price - US\$3.00/lb; Au price US\$1200/oz; Mo price US\$14.00/lb. Note 3: Mill average recovery for fresh Cu - 89%, Au - 52%, Mo - 53%. Mill average recovery for transitional; Cu 70%, Au - 50%, Mo - 46%. Heap Leach average recovery for oxide; Cu - 54%. Note 4: Payability factors for metal contained in concentrate: Cu - 96%; Au - 90%; Mo - 98%. Payability factor for Cu cathode - 100%.

Productora JORC Compliant Mineral Resource

Productora Project Higher Grade Resource, March 2016

Deposit	Classification	Tonnage (Mt)	Grade			Contained Metal		
			Cu (%)	Au (g/t)	Mo (ppm)	Copper (tonnes)	Gold (ounces)	Molybdenum (tonnes)
Productora	Indicated	166.8	0.50	0.11	151	841,000	572,000	25,000
	Inferred	51.9	0.42	0.08	113	219,000	136,000	6,000
	Sub-total	218.7	0.48	0.10	142	1,059,000	708,000	31,000
Alice	Indicated	15.3	0.41	0.04	42	63,000	20,000	600
	Inferred	2.6	0.37	0.03	22	10,000	2,000	100
	Sub-total	17.9	0.41	0.04	39	73,000	23,000	700
Combined	Indicated	182.0	0.50	0.10	142	903,000	592,000	26,000
	Inferred	54.5	0.42	0.08	109	228,000	138,000	6,000
	Total	236.6	0.48	0.10	135	1,132,000	730,000	32,000

Reported at or above 0.25 % Cu. Figures in the above table are rounded, reported to two significant figures, and classified in accordance with the Australian JORC Code 2012 guidance on Mineral Resource and Ore Reserve reporting. Metal rounded to nearest thousand, or if less, to the nearest hundred.

Productora Project Low Grade Resource, March 2016

Deposit	Classification	Tonnage (Mt)	Grade			Contained Metal		
			Cu (%)	Au (g/t)	Mo (ppm)	Copper (tonnes)	Gold (ounces)	Molybdenum (tonnes)
Productora	Indicated	150.9	0.15	0.03	66	233,000	170,000	10,000
	Inferred	50.7	0.17	0.04	44	86,000	72,000	2,000
	Sub-total	201.6	0.16	0.04	60	320,000	241,000	12,000
Alice	Indicated	12.3	0.14	0.02	29	17,000	7,000	400
	Inferred	4.1	0.12	0.01	20	5,000	2,000	100
	Sub-total	16.4	0.13	0.02	27	22,000	9,000	400
Combined	Indicated	163.2	0.15	0.03	63	250,000	176,000	10,000
	Inferred	54.8	0.17	0.04	43	91,000	74,000	2,000
	Total	218.0	0.16	0.04	58	341,000	250,000	13,000

Reported at or above 0.1% Cu and below 0.25 % Cu. Figures in the above table are rounded, reported to two significant figures, and classified in accordance with the Australian JORC Code 2012 guidance on Mineral Resource and Ore Reserve reporting. Metal rounded to nearest thousand, or if less, to the nearest hundred. Metal rounded to nearest thousand, or if less, to the nearest hundred.

Qualifying Statements



Competent Person's Statement

Exploration Results

Exploration information in this Presentation is based upon work undertaken by Mr Christian Easterday, the Managing Director and a full-time employee of Hot Chili Limited whom is a Member of the Australasian Institute of Geoscientists (AIG). Mr Easterday has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a 'Competent Person' as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code). Mr Easterday consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

Mineral Resources

The information in this Presentation that relates to the Productora Project Mineral Resources, is based on information compiled by Mr J Lachlan Macdonald and Mr N Ingvar Kirchner. Mr Macdonald is an employee of Hot Chili Ltd and is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Kirchner is employed by AMC Consultants (AMC). AMC has been engaged on a fee for service basis to provide independent technical advice and final audit for the Productora Project Mineral Resource estimates. Mr Kirchner is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM) and is a Member of the Australian Institute of Geoscientists (AIG). Both Mr Macdonald and Mr Kirchner have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (the JORC Code 2012). Both Mr Macdonald and Mr Kirchner consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

Ore Reserves

The information in this Presentation that relates to Productora Project Ore Reserves, is based on information compiled by Mr Carlos Guzmán, Mr Boris Caro, Mr Leon Lorenzen and Mr Grant King. Mr Guzmán is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM), a Registered Member of the Chilean Mining Commission (RM- a 'Recognised Professional Organisation' within the meaning of the JORC Code 2012) and a full time employee of NCL Ingeniería y Construcción SpA (NCL). Mr Caro is a former employee of Hot Chili Ltd, now working in a consulting capacity for the Company, and is a member and is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM) and a Registered Member of the Chilean Mining Commission. Mr Lorenzen is employed by Mintrex Pty Ltd and is a Chartered Professional Engineer, Fellow of Engineers Australia, and is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr King is employed by AMEC Foster Wheeler (AMEC FW) and is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM). NCL, Mintrex and AMEC FW have been engaged on a fee for service basis to provide independent technical advice and final audit for the Productora Project Ore Reserve estimate. Mr. Guzmán, Mr Caro, Mr Lorenzen and Mr King have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Guzmán, Mr Caro, Mr Lorenzen and Mr King consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.



View Across San Antonio





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